

ROBERT H. RUGGERI
ATTORNEY AND COUNSELOR
P.O. Box 310
MOAB, UTAH 84532
125 NORTH MAIN

ROBERT H. RUGGERI

December 9, 1983

TELEPHONE: 259-5611

Department of Health
P. O. Box 2500
Salt Lake City, Utah 84110-2500

Attention: Steven McNeal

RE: S & S Mining Company
Red Rock Mine Ponds
San Juan County, Utah

ACT/037/050

Dear Mr. McNeal:

After meeting with Messrs. Stocks and Goff concerning the matter referred to in your letter of December 6, 1983, addressed to me, and your statement contained therein that the pond would be only acceptable if the mine was scheduled to operate for less than one year, Messrs. Stocks and Goff and the present operator, T. S. & R. Inc. called it to my attention that the price of uranium has dropped another \$1.50 per pounds in the last two months and that the price of vanadium has declined also. There has been no recent drilling done in an effort to establish additional reserves and based on the price of uranium and vanadium at this time, the mine is scheduled to cease operations on or before January 1, 1985. In the event the price of uranium and vanadium should increase appreciably, which is not anticipated, we may have to revise the life expectancy of the mine. In the event that these unexpected developments should occur, you will be notified immediately.

In response to your telephone request that we revise the evaporation rate calculations they are as follows:

Revised Calculation

Flow Rate: 3600 gal./day x 365 days = 1,314,000 gal./ yr.

Pond Size: 180'x220'x3.5' = 1,386,000 cu. ft total containment capacity.

1,109,500 gal. total containment

Evap. Rate: 40"/ yr. = 130,680 cu. ft./yr. = 980,100 gal.

Safety Margin: 980,100 gal - 1,039,500 gal. = 2,019,600 gal.
capacity and evaporation

2,019,600 - 1,314,000 = 705600 gal. safety margin.

As you know your certification is a prerequisite to the permit procedure. If you are in a position to issue the health certificate it will facilitate the granting of the permit, this hearing on which has been scheduled for December 15, 1983.

Steven McNeal
December 9, 1983
Page Two.

Sincerely,

Robert H. Ruggeri

✓ RHR:jj

cc: Tom Tetting